
TOO GOOD TO BE TRUE....

A Column on Consumer Issues

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BUSINESS OWNERS -- BEWARE OF "COMPLIANCE VERIFICATION" NOTICES

The Attorney General's Consumer Protection Division has received a number of inquiries regarding a particularly misleading solicitation called a "Compliance Verification" notice. These types of notices are designed to mislead business people into believing that the offer is from the federal or state government. However, these types of solicitations are nothing more than some outfit trying to sell employment notices for up to \$69.95.

While purchasing these posters may be one way for a small business to comply with certain state and federal government regulations, these types of solicitations exaggerate the difficulties of complying with the law and the consequences of inadvertent noncompliance.

A typical solicitation offers to provide posters containing the various notices and forms that employers are required to post on their premises with respect to occupational safety and health, employment, immigration, tax, and workers' compensation regulations. Because these notices are available **free of charge** from the appropriate government offices, making such an investment in these so-called "compliance verification" notices is unnecessary.

The solicitations warn of substantial monetary penalties for failure to comply with the various regulations. In most cases, however, this misrepresents the actual consequences of noncompliance. While posted notice requirements frequently do carry monetary penalties for noncompliance, businesses are usually offered the opportunity to cure the defect by posting the correct notices. When monetary penalties are imposed for posting violations, they usually involve other, substantial violations of the law as well.

And finally, by focusing too heavily on the posting and notice requirements, it is easy for a business to forget the more important, substantive requirements with which it must also comply. State and federal agencies often offer technical assistance to businesses in meeting their compliance obligations. By working directly with the responsible agency regarding posters and notices, the business person is more likely to become familiar with other compliance requirements and what help is available from the agency in meeting those requirements.

Remember, notices required by law to be posted on business premises are almost always available from the responsible agencies at little or no cost to the business. Because governmental agencies generally have limited staff and enforcement resources, virtually all agencies strongly encourage voluntary compliance with the law

and agency regulations. One way they do this is by providing free posters and forms. If you receive a "Compliance Verification" notice, check with the appropriate governmental agency first before you buy something you don't need for an excessive price.

The Attorney General's Consumer Protection Division investigates allegations of fraud in the marketplace. Investigators also mediate individual complaints against businesses. If you have a consumer problem or question, call the Consumer Protection Division at 328-3404, toll-free at 1-800-472-2600, or 1-800-366-6888 (w/TTY). This article and other consumer information is located on our website at www.ag.state.nd.us.

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